



DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

[Docket Number DARS-2023-0009; OMB Control Number 0704-0359]

Information Collection Requirement; Defense Federal Acquisition Regulation Supplement, Contract Financing

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Notice and request for comments regarding a proposed extension of an approved information collection requirement.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, DoD announces the proposed extension of a public information collection requirement and seeks public comment on the provisions thereof. DoD invites comments on: whether the proposed collection of information is necessary for the proper performance of the functions of DoD, including whether the information will have practical utility; the accuracy of DoD's estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the information collection on respondents, including the use of automated collection techniques or other forms of information technology. The Office of Management and Budget (OMB) has approved this information collection for use under Control Number 0704-0359 through July 31, 2023. DoD proposes that OMB

approve an extension of the information collection, to expire three years after the approval date.

DATES: DoD will consider all comments received by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

ADDRESSES: You may submit comments, identified by OMB Control Number 0704-0359, using any of the following methods:

- o *Federal eRulemaking Portal:* <http://www.regulations.gov>.

Follow the instructions for submitting comments.

- o *Email:* osd.dfars@mail.mil. Include OMB Control Number 0704-0359 in the subject line of the message.

Comments received generally will be posted without change to <https://www.regulations.gov>, including any personal information provided.

FOR FURTHER INFORMATION CONTACT: Mr. David Johnson, telephone 202-913-5764.

SUPPLEMENTARY INFORMATION:

Title and OMB Number: Defense Federal Acquisition Regulation Supplement (DFARS) Part 232, Contract Financing and Related Clauses at 252.232; OMB Control Number 0704-0359.

Affected Public: Businesses or other for-profit and not-for-profit institutions.

Respondents' Obligation: Required to obtain or retain benefits.

Frequency: On occasion.

Number of Respondents: 1,000.

Responses per Respondent: 14.

Annual Responses: 14,000.

Average Burden per Response: 1.2 hours.

Annual Burden Hours: 16,800.

Needs and Uses:

- *DFARS 252.232-7007, Limitation of Government's Obligation.* The data submitted by contractors enables contracting officers to calculate improved financing opportunities that will provide benefit to both industry (prime contractor and subcontractor level) and the taxpayer. DFARS 252.232-7007 is prescribed for use in solicitations and resultant incrementally-funded fixed-price contracts. Paragraph (c) of the clause requires a written notification from the contractor that: (1) states the estimated date when the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items; (2) states an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds, or to a mutually agreed upon substitute date; and (3) advises the contracting officer of the estimated amount of additional funds that will be required for the timely performance of the items funded pursuant to the clause, for a subsequent period as may be specified in the allotment schedule, or otherwise agreed to by the parties to the contract.

- *DFARS subpart 232.10, Performance-Based Payments, 252.232-7012, Performance Based Payments—Whole Contract Basis, and 252.232-7013, Performance Based Payments—Deliverable-Item Basis.* Contracting officers use the information provided by contractors to create a cash-flow model for use in evaluating alternative financing arrangements. The analysis tool calculates improved financing opportunities that will provide benefit to both industry (prime contractor and subcontractor level) and the taxpayer. DFARS subpart 232.10 requires the contracting officer, when considering performance-based payments, to obtain from the contractor a proposed performance-based payments schedule which includes all performance-based payments events, completion criteria and event values along with the expected expenditure profile.

DFARS 252.232-7012 requires contractors to report the negotiated value of all previously completed performance-based payments; negotiated value of current performance-based payment(s) event(s); cumulative negotiated value of performance-based payment(s) events completed to date; total costs incurred to date; cumulative amount of payments previously requested; and the payment amount requested for the current performance based payment.

DFARS 252.232-7013 requires contractors to report the negotiated value of current performance-based payment(s) event(s); cumulative negotiated value of performance-based payment(s) events completed to date; total costs incurred to

date; cumulative amount of payments previously requested; and the payment amount requested for the current performance based payment.

Jennifer D. Johnson,

Editor/Publisher, Defense Acquisition Regulations System.

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